

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Energy Department – Mobilisation of funds of Rs.3000 crores by private placement of A.P.Power Bonds through A.P.Power Finance Corporation Limited, Hyderabad – Unconditional and irrevocable Government Guarantee with the Budgetary support – Permission accorded – Orders – Issued.

ENERGY (POWER.III) DEPARTMENT

G.O.Ms.No. 40

Dated:20-09-2011

Read the following:-

1. From the Chairman and Managing Director, APTRANSCO & Chairman, APPCC, Hyderabad, Lr.No.CMD/118/11, dt:24.08.2011.
2. Finance Department U.O.No.23679/128/PF.I/2011, dt:07.09.2011.

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ORDER :-

Government have proposed in the reference 2nd read above, to raise funds of Rs.3000 crores through A.P.Power Finance Corporation Limited in phased manner upto December, 2011, towards clearance of additional power purchase dues from 2008-09 onwards, pending finalisation of the reconciliation of accounts.

2. After careful consideration of the matter, Government hereby accord permission to the Managing Director, A.P.Power Finance Corporation Limited for mobilisation of the funds of Rs.3000 crores by private placement of A.P.Power Bonds and also stand guarantee for repayment of the Principal amount on the due dates of the bonds and the payment of Interest thereon with the following terms and conditions :-

- i] Unconditional and irrevocable Government Guarantee for servicing of the proposed Bonds with name & style of "AP Power Bonds" with budgetary support;
- ii] Since, liability pertains to Government of Andhra Pradesh, not to charge Guarantee Commission for Government Guarantee.
- iii] The Guarantee shall be in force until all the bonds issued by the APPFCL or its successor entities pursuant to the above are redeemed.

3. This order issues with the concurrence of Finance (DCM.II) Department vide their U.O.No.25763/344/DCM.II/2011, dated.20.09.2011.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

DINESH KUMAR
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Managing Director, A.P.Power Finance Corporation Limited, Hyderabad.
The Chairman & Managing Director, APTRANSCO & Chairman, APPCC, Hyderabad.
The Finance (PF.I) / (DMC) Department.
The Accountant General, A.P., Hyderabad.
The Pay & Accounts Officer, Hyderabad.
The Deputy Pay and Accounts Officer, Secretariat Branch, Hyderabad.
(C.No.9217/Pr.III(2)/2010)
SF/SCs.

//Forwarded:: BY Order//

SECTIONOFFICER